



SOCIAL SECURITY INFORMATION CENTER
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STRENGTHENING SOCIAL SECURITY: WHAT THEY'RE SAYING

Vice President Cheney – Number Of Retirees Will Nearly Double Over The Next Several Years: “We’ve had a situation develop now in which we got the baby boom generation approaching retirement age. We’re going to go from about 40 million retired people over 65 to upwards of 75 million over the next several years. And the other thing that’s happened, of course, is that people live a lot longer now than they did when the Social Security program was set up. When it was set up back in the mid ‘30s, life expectancy was 62, today it’s 77 or 78. So we’re going to have a lot more people retired, living a lot longer, drawing benefits out of the program than has been true in the past. And you can look at the demographics, and it’s clear that the funds aren’t going to be there given the current level of benefits that have been promised for the future generations. It’s not going to affect me. I’m 64 years old. But it will affect my kids and grandkids.” (Radio Interview Of The Vice President By Scott Hennen, WDAY 970 AM, 6/30/05) [Read The Transcript.](#) [Hear the Interview.](#)

Treasury Secretary John Snow – Due To Economic Strength, Time Is Now For Reform: “We are enjoying terrific economic strength, with more Americans working today than at any time in our history. Since 2002, America has added more than 3.5 million new jobs; the unemployment rate is 5.1 percent and real after-tax income is up by more than 10 percent. More Americans own their homes than at any time in our history. More Americans are going to college and own their own businesses than at any time in our history -- and a recent economic report shows that inflation is in check. Saving and improving Social Security will mean a positive change, but a change of enormous proportions nonetheless. And significant change is best done from a position of economic strength like the one that we currently enjoy.” (Sec. John Snow, Remarks To NASDAQ Employees In Trumbull, CT, 6/27/05) [Read The Transcript.](#)

White House Chief Of Staff Card Talks Social Security Reform In Maine: “The centerpiece of Bush’s reform effort is the proposed creation of personal retirement accounts. Young workers would be allowed to divert a portion of their taxed wages into conservative investments. Interest from those investments would supplement the basic Social Security benefit, not replace it, Card said. Bush ‘wants to make sure they get a Social Security check, but he also wants to make sure they have a chance to do better,’ Card said. He used the example of a worker who earns an average of \$32,900. Currently, Social Security would pay \$14,700. Under the dual inflation rate proposal, the recipient would get \$16,600, a 12.4 percent increase. Moreover, if that worker were allowed to invest up to 4 percent of taxed wages, he could earn \$196,000 by the time he reaches retirement age. Added to his base benefit, his overall retirement income would be \$21,700, Card said.” (Christopher Williams, “Card Pitches Reform For Social Security,” *Lewiston Sun-Journal*, 6/25/05) [Read The Article.](#)

Senate Finance Chairman Grassley – Take Responsible Action And Make Social Security Solvent: “According to national opinion surveys and the Register’s own Iowa poll, a majority of those questioned agree Social Security faces a looming financial shortfall. As chairman of the Senate Finance Committee, I’m responsible for Social Security legislation. After holding three congressional hearings and a dozen weekly sessions with fellow committee members, progress has reached a fork in the road. The high road would have lawmakers take advantage of the environment created by the president on such a politically sensitive issue - just like Presidents Carter, Reagan and Clinton did previously with Social Security - and take responsible action to make the program solvent for future generations.” (Sen. Charles Grassley, “Let’s Take The High Road, Fix Successful Program,” *The Des Moines Register*, 6/26/05) [Read The Op-Ed.](#)

‘Try Telling Your Landlord Or Banker That You Can Pay 73 Percent Of Your Rent Or Mortgage. Don’t Wait To Be High-Fived’: “Come 2015, the so-called Trust Fund will peak. After that, more money will flow out of Social Security than will flow in... These depleted surpluses will wane until 2041, when the entire ‘Trust Fund’ will be as empty as it already is fictional. Payroll taxes then will be able to pay 73 percent of that year’s obligations, according to Social Security’s trustees. Unless every senior gets a universally honored, 27-percent discount card, America will be in crisis. (Try telling your landlord or banker that you can pay 73 percent of your rent or mortgage. Don’t wait to be high-fived.)” (Deroy Murdock, *National Review Online*, 6/27/05) [Read The Column.](#)

The Problem Is Real: 'Demographic, Fiscal, and Economic Threats Will Not Lessen As Time Passes': "The current debate on Capitol Hill is the first serious effort by lawmakers to determine Social Security's future. The program's demographic, fiscal and economic threats will not lessen as time passes, yet opponents want to wait and see. Is this supposed to be in the best interest of the children? Given the overwhelming empirical data that point to an impending meltdown, where is the logic in hoping the problem will fix itself..." (Michael Tanner, "Social Security Shuffle", *Washington Times*, 6/26/05) [Read The Article.](#)

Jack Kemp – Personal Accounts Give American Workers A Stake On the Economy: "Bush understands that allowing workers to own assets and build wealth in personal retirement accounts would give all American workers a stake in the American economy, a stake in the taxation of capital and business activity, an interest in controlling the growth of federal spending and in larger civil society generally." (Jack Kemp, "A Social Security Victory For Bush," *San Diego Union Tribune*, 6/28/05) [Read The Op-Ed.](#)

Orlando Sentinel – President Should Be Commended For Social Security; Demographics Make Reform 'Imperative': "President George W. Bush displayed a commendable flexibility recently on Social Security reform. ... Demographics, along with dollars and cents, make Social Security reform imperative. The ratio of payroll-tax-paying workers to benefit-receiving retirees in the program is falling. The Social Security trust fund is projected to be depleted as soon as 2041 -- just when today's younger workers will be counting on it. But beginning as early as 2017, Congress will need to find additional money each year to make up for a growing shortfall in payroll-tax revenue -- a total of more than \$5 trillion between 2017 and 2041. That could force big tax increases, deep spending cuts, heavy borrowing, or some combination." (Editorial, "Too Rigid - Our position: Democrats Aren't Dealing Responsibly With Social Security Problems" *The Orlando Sentinel*, 6/28/05) [Read The Editorial.](#)

Indianapolis Star – Personal Accounts Help Build Personal Wealth: [T]he House proposal would be a modest step toward a more rational Social Security system that does what it advertises -- puts money collected from American workers into true investment portfolios instead of using the money to fund deficit spending. Initially, the personal accounts, available to workers younger than 55, could be invested only in U.S. Treasury bonds. But after 2009 a board could include other investment options, such as stock or corporate bond mutual funds. And unlike existing Social Security benefits, the money in the accounts could be left to heirs. That helps build personal wealth. Ensuring that payroll taxes are used for retirement benefits instead of covering deficit spending also would end the raid on temporary Social Security surpluses, forcing Congress to come to grips with runaway spending. (Editorial, "A Modest Proposal For Social Security," *The Indianapolis Star*, 6/29/05) [Read The Editorial.](#)

Labor Secretary Elaine Chao – Social Security In Trouble: "In her short presentation, Chao said President Bush is keeping the Social Security issue before the American people because he feels it is crucial to the retirement security of America. She said that under the current Social Security program, the government will begin to pay more in benefits that it collects in payroll taxes by 2017. Once today's younger workers begin to retire, by 2041, the system will be bankrupt, she said. 'This is a very heavy burden' on the president, Chao said. 'There is really no one who can say with a straight face that Social Security is OK.'" (Wesley Brown, "Labor Secretary Discusses Social Security Reform In Friendly Forum," *Arkansas News Bureau*, 6/29/05) [Read The Article.](#)

Ways And Means Members Says Personal Accounts 'Has Legs' in House: "Meanwhile, rank-and-file House Republicans will be briefed this morning on a proposal that would use the Social Security surplus to create voluntary personal accounts for workers 55 and younger. The idea is being pushed by key members of the House Ways and Means Committee as well as some leaders, such as House Majority Whip Roy Blunt, Missouri Republican. 'I think it has legs,' said Rep. E. Clay Shaw Jr., a Florida Republican and Ways and Means Committee member who is pushing the idea. The Ways and Means panel -- led by Rep. Bill Thomas of California -- is crafting a broad retirement proposal that includes Social Security reform. The bill likely will include the new accounts and also could include solvency provisions, House Republicans say." (Amy Fagan, "Social Security 'Consensus' Seen" *The Washington Times*, 6/29/05) [Read the Article.](#)